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Amendment No. 3 to SB0917

**Fowler
Signature of Sponsor**

AMEND Senate Bill No. 917*

House Bill No. 1256

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 12-4-109(a)(1), is amended

by adding the following new items:

(G)

(1) All requests, approved in accordance with rules authorized by this subdivision (a)(1), to produce service with only one service provider shall be filed with the fiscal review committee of the general assembly thirty (30) days prior to the proposed execution. Such request approval shall document the following:

(i) Description of service to be acquired;

(ii) Explanation of the need for or requirement placed on the procuring agency to acquire the service;

(iii) Name and address of the proposed contractor's principal owner(s);

(iv) Evidence that the proposed contractor has experience in providing the same or similar service and evidence of the length of time the contractor has provided the same or similar service;

(v) Explanation of whether the service was ever bought by the procuring agency in the past, and if so, what method was used to acquire it and who was the contractor;

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(vi) Description of procuring agency efforts to identify reasonable, competitive, procurement alternatives (rather than to use non-competitive negotiation); and

(vii) Justification of why the state should acquire the service through non-competitive negotiation.

(2) The provisions of (G)(1) shall only apply to sole source contracts for more than one (1) year or renewable by either party that would extend the contract beyond twelve (12) months that has a cumulative value, including all possible renewals, of two hundred fifty thousand dollars (\$250,000) or more. The fiscal review committee shall have fifteen (15) days from receipt of the request to comment on the proposed contract. If no comment is made within fifteen (15) days of receipt of the request, such contract shall be executed.

(3) All other sole source contracts with service providers or subsidiaries or partners of service providers that, separately or collectively, have at any one time a cumulative value of one hundred thousand dollars (\$100,000) or more shall be reviewed by the fiscal review committee after execution of such contracts. With respect to such contracts to be reviewed after execution, the fiscal review committee shall be provided the same information to be submitted in connection with contracts subject to review prior to execution.

(H) All requests, approved in accordance with rules authorized by this subdivision (a)(1), to permit an exception to such rules shall be filed with the fiscal review committee of the general assembly.

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(l) The department of finance and administration office of contracts review shall file a quarterly, personal, professional, and consultant service contract report with the fiscal review committee of the general assembly. Such report shall list contracts approved in accordance with rules authorized by this subdivision (a)(1) during the prior quarter and detail whether or not each contract procurement was competitive.

SECTION 2. Tennessee Code Annotated, Section 12-4-119, is amended by adding the following new subsection:

(e) Commissioner of finance and administration authorization permitting a limitation of liability shall be in writing and shall be filed with the fiscal review committee of the general assembly.

SECTION 3. The provisions of this act shall not apply to direct purchase authority contracts.

SECTION 4. This act shall take effect July 1, 2003, the public welfare requiring it.